

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking into the operation of interruptible load programs offered by Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Edison Company and the effect of these programs on energy prices, other demand responsiveness programs, and the reliability of the electric system.

Rulemaking 00-10-002
(Filed October 5, 2000)

Phase 2

**ADMINISTRATIVE LAW JUDGE'S RULING
REGARDING REOPENING RECORD AND
ADDRESSING INCLUSION IN RECORD
OF SEVERAL PLEADINGS**

This ruling reopens the record for consideration of an additional item, and states the process for resubmission of this matter for Commission decision. Further, it clarifies and addresses inclusion of several items in the record.

1. DWR Letter

By letter dated December 13, 2001 (copy attached), Peter Garris of the Department of Water Resources (DWR) notified Terry Winter of the California Independent System Operator (ISO) and its market participants that DWR would suspend the Demand Bidding Program effective December 15, 2001. The letter says that the program will be reactivated in June 2002, or in the event of a Stage 2 or 3 ISO emergency, whichever occurs first.

The Phase 2 record includes all filed and served documents in Phase 2 through the date of submission of the matter for Commission decision. (September 21, 2001 Scoping Memo and Ruling, Ordering Paragraphs 2 and 3 regarding record and schedule.) The Phase 2 record was submitted for decision

on November 30, 2001. (Daily Calendar, December 3, 2001, page 12.) This ruling reopens the Phase 2 record for consideration of the DWR letter, plus it files and serves a copy of that letter.

The attached letter will become part of the record in five days, and Phase 2 will be resubmitted for decision in five days, unless an objection is filed and served within five days from today. If an objection is filed, parties may file and serve responses to the objection within five days of the date the objection is filed. If an objection is filed, a subsequent ruling will be issued on the objection, and whether or not the attached DWR letter is or is not part of the Phase 2 record, along with the resubmission date of Phase 2. Absent an objection, however, the attached letter is made part of the Phase 2 record five days from today, and Phase 2 is resubmitted for decision five days from today, without further ruling.

2. CCPCFA Letter

By ruling dated November 5, 2001, parties were given an opportunity to comment on whether or not a letter dated October 30, 2001 from the California Consumer Power and Conservation Financing Authority (CCPCFA) should be made part of the record. No objections were filed. No ruling has yet been made stating whether or not the CCPCFA letter is part of the record.

This ruling makes the CCPCFA letter part of the Phase 2 record by opening the record for inclusion of the CCPCFA letter concurrent with opening the record to consider the DWR letter. The proceeding will be resubmitted for Commission decision as provided above regarding the DWR letter.

3. Other Pleadings

Finally, this ruling clarifies that the granting of motions for receipt of additional pleadings regarding a rotating outage exemption for water and sewer agencies (Category H) reopened the record for those pleadings, and resubmitted

the proceeding upon the filing and service of those pleadings. Thus, the record also includes the following filed and served documents: December 21, 2001 Joint Supplemental Comments of the Internal Services Department of Los Angeles County (LAC) and Southern California Edison Company; the January 4, 2002 Response of Pacific Gas and Electric Company; the January 8, 2002 Reply Comment of the Association of California Water Agencies; and the January 9, 2002 Reply Comment of LAC and San Diego Gas and Electric Company. While otherwise resubmitted with receipt of these pleadings, the proceeding is now reopened as discussed above for the DWR and CCPCFA letters.

IT IS RULED that:

1. The Phase 2 record is reopened to consider inclusion of the attached letter dated December 13, 2001 from Peter Garris, Department of Water Resources (DWR), to the Terry Winter, California System Operator. Absent an objection filed and served within five days of today, the attached letter shall become part of the record five days from today, and Phase 2 shall be resubmitted for decision five days from today, without further ruling. If an objection is filed and served, parties may file and serve responses. Such responses shall be filed and served within five days of the date an objection is filed. If an objection is filed, a subsequent ruling shall be issued on the objection, and whether or not the attached DWR letter is or is not part of the Phase 2 record, along with the resubmission date of Phase 2.

2. The Phase 2 record also includes the following filed and served documents: October 30, 2001 letter from the California Consumer Power and Conservation Financing Authority attached to the ruling dated November 5, 2001; December 21, 2001 Joint Supplemental Comments of the Internal Services Department of Los Angeles County (LAC) and Southern California Edison

Company; the January 4, 2002 Response of Pacific Gas and Electric Company; the January 8, 2002 Reply Comment of the Association of California Water Agencies; and the January 9, 2002 Reply Comment of LAC and San Diego Gas and Electric Company.

Dated January 11, 2002, at San Francisco, California.

/s/ BURTON W. MATTSON

Burton W. Mattson
Administrative Law Judge

DEPARTMENT OF WATER RESOURCES

1416 NINTH STREET, P.O. BOX 942836

SACRAMENTO, CA 94236-0001

(916) 653-6791



DEC 13 2001

**Attachment
Page 1**

Mr. Terry Winter
California Independent System Operator
151 Blue Ravine Road
Folsom, California 95630

Dear Mr. Winter:

This letter is to notify the California Independent System Operator and its market participants that the Department of Water Resources, California Energy Resources Scheduling Division is suspending the Demand Bidding Program as of December 15, 2001. The Program will be reactivated in June of 2002 or in the event of a Stage II or III ISO Emergency, whichever occurs first.

If you have any questions on this matter or need additional information, please call me at (916) 574-2733 or John Pacheco of my staff at (916) 574-0311.

Sincerely, :

A handwritten signature in black ink, appearing to read "P. Garriss".

Peter S. Garriss
Acting Deputy Director

cc: (See attached list)

**Attachment
Page 2**

Mr. Byron Woertz
California Independent System Operator
151 Blue Ravine Road
Folsom, California 95630

Mr. Kyle Hoffman
California Independent System Operator
151 Blue Ravine Road
Folsom, California 95630

Mr. Don Fuller
California Independent System Operator
151 Blue Ravine Road
Folsom, California 95630

Mr. Kellan Fluckiger
California Power Authority
901 P Street, Suite 142A
Sacramento, California 95814

Ms. Katheryn M. Fong
Vice President - Customer Revenue Transactions
Pacific Gas & Electric Company
Post Office Box 770000, Mail Code B27H
San Francisco, California 94177-0001

Ms. Pam Fair
San Diego Gas and Electric Company
101 Ash Street
San Diego, California 92101-3017

Ms. Lynda Ziegler
Southern California Edison
2244 Walnut Grove Avenue
Post Office Box 800
Rosemead, California 91770

**Attachment
Page 3**

Bcc: Thomas Hannigan
Susan Lee

JPacheco:GCook
V/gcook/Winterltr12-13-01
Spell Check: December 13, 2001

(END OF ATTACHMENT)

CERTIFICATE OF SERVICE

I certify that I have by mail, and electronic mail to the parties to which an electronic mail address has been provided, this day served a true copy of the original attached Administrative Law Judge's Ruling Reopening Record And Addressing Inclusion In Record Of Several Pleadings on all Phase 2 parties of record in this proceeding or their attorneys of record.

Dated January 11, 2002, at San Francisco, California.

/s/ KRIS KELLER

Kris Keller

N O T I C E

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to insure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.

The Commission's policy is to schedule hearings (meetings, workshops, etc.) in locations that are accessible to people with disabilities. To verify that a particular location is accessible, call: Calendar Clerk (415) 703-1203.

If specialized accommodations for the disabled are needed, e.g., sign language interpreters, those making the arrangements must call the Public Advisor at (415) 703-2074, TTY 1-866-836-7825 or (415) 703-5282 at least three working days in advance of the event.